

## \*NWD Comments Included

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# Civil Works Program and Budget Cycle - PROC7000

## Scope

THIS IS A POTENTIAL SHOWSTOPPER!!!!!! (Applicable to all 7000 series processes.) DISTRICTS NEED THE CAPABILITY TO ADJUST AT THE PROGRAM LEVEL DURING THE BUDGET DEVELOPMENT PROCESS. This means that the budgeting process has to be disconnected from the Project Management schedule during this period of time.

EXTREMELY CONCERNED ABOUT INCREASES IN LABOR REQUIREMENTS FOR NO VALUE-ADDED!!!! Response: The process documented here covers the procedures already in place for the CW budget. There are no changes in requirements or effort, just an increased use of automation with a single point of data entry to increase efficiency and consistency in the process.

The Civil Works program process will continue to need human decision making prior to final submission. Human interaction and rational decision making is required (DATA WITHOUT DIALOGUE LEADS TO POOR DECISIONS).—Response: Making uninformed decisions is not a function of using an AIS. The need for communications is paramount no matter what system is used. Regional SOPs can be developed to aid in insuring proper lines of communication are maintained consistent with the Corps vision.

4(3) Future Resource Estimates. The number of years into the future for which Civil Resource Estimates need to be prepared varies by need throughout the Manual from CFY+2 to CFY+5 (but is summarized in Resource Forecast Analysis Annual Schedule REF8002); PRISM even requires numbers to CFY+10. Bottom-line is at least need for CFY+5, and use others as appropriate. This should be explained better throughout the Manual. Response: This requirement is still being evaluated with the PRISM proponent.

(4) Turn around illustration on page 3 of PROC7000 so title on left side (easier to read). Response: Accepted

(5) Distinguish whether actions apply to USACE, MSC or District level. Response: This process describes the cycle – the separate action/actors come in the subsequent processes.

Multiple Versions. How many project versions based on funding does a PM have? My answer is three – BUDGET (with various subsets and constrained by budget ceilings), CAPABILITY (which you hope to get through Congressional Adds, minus savings and slippage, plus/minus reprogramming), and CURRENT (a “what-if” version based on funds actually received, but usually not close to the funding in the feasibility cost sharing or project cooperation agreements). But which project version is REAL -- the one actually used by the PM and PDT and the one for project reporting? It should not be the BUDGET version because the BUDGET is always constrained. Clarification is needed. Response: You are correct, three budget versions for CW will exist in P3e. The “Current” is “real” for execution purposes. Current version will be based on the PMP which will be derived from the most current appropriation plus capability budget.

This process provides guidance for development and submission of the budget for the U.S. Army Corps of Engineers Civil Works program. The process for a given fiscal year extends over a 21-month period. Therefore, budgetary actions among current CFY, CFY+1, and program year overlap.

- Once PM does recommended plan, PgM fits project into ceiling, adjustments need to be made back to PM, and PM makes changes.

## Policy

### **EC 11-2-18x, Army Programs - Corps of Engineers Civil Works Direct Program - Program Development Guidance** [<http://www.usace.army.mil/inet/usace-docs/eng-circulars/ec-cw.html>]

(Note: The EC increases by one number each fiscal year. The EC includes a list of all applicable public laws, Executive orders, Army regulations, Engineer Regulations, Engineer Pamphlets, Engineer Manuals, and other policy guidance relevant to the budget year under development.)

### **ER 5-1-11, U. S. Army Corps of Engineers Business Process** [<http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf>]

### **ER 11-2-201, Civil Works Activities – Funding, Work Allowances, and Reprogramming** [<http://www.usace.army.mil/inet/usace-docs/eng-regs/er11-2-201/entire.pdf>]

## Responsibility

The Program Manager (PgM) is responsible for

- Integrating and developing the Civil Works annual budget request
- Preparing budget testimony
- Interfacing with Congressional committees
- Issuing program/project management policy and guidance
- Monitoring program management and performance

## System References

CEMRS Home Page [<http://www.usace.army.mil/inet/functions/rm/manpower/requirements/>]

Civil Works O&M Automated Budget System (ABS) Home Page [<http://www.cecer.army.mil/abs/default.asp>]

Civil Works Program and Budget Cycle – Capability Budget Development – PROC7010 [[PROC7010](#)]

Civil Works Program and Budget Cycle – President’s Budget and OMB Submission – PROC7020 [[PROC7020](#)]

Civil Works Program and Budget Cycle – Submission of President’s Budget to Congress – PROC7030 [[PROC7030](#)]

Civil Works Program and Budget Cycle – Defense of President’s Budget – PROC7040 [[PROC7040](#)]

Civil Works Program and Budget Cycle - Continuing Resolution Authority and Allotment – PROC7050[PROC7050]

Operating Budget – PROC6001[PROC6001]

PMP/PgMP Content – REF8005[REF8005]

Project Execution and Control – PROC3000[PROC3000]

Receipt of Funds – PROC1040[PROC1040]

## **Distribution**

District Program Manager (PgM)\*

Headquarters (HQUSACE) Program Manager (PgM)\*

Major Subordinate Command (MSC) Program Manager (PgM)\*

## **Ownership**

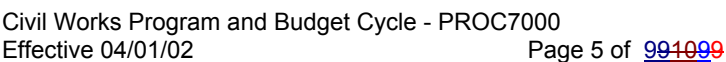
The BP/P2 Configuration Manager is responsible for ensuring that this document is necessary, that it reflects actual practice, and that it supports corporate policy.

## **Activity Preface**

This process runs concurrently with the PDT processes. The level of detail defined in PMP/PgMP Content – REF8005[REF8005] will provide guidance for such items as activity/resource estimate development. Receipt of Funds – PROC1040[PROC1040] will involve the work allowance, as well as the Continuing Resolution Authority (CRA). A verification with the Operating Budget – PROC6001[PROC6001] is done once funds are received. Complete the program and budget cycle by continuing with Project Execution and Control – PROC3000[PROC3000].

An overview of the Civil Works budget cycle can be found in the following illustration.

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## **Headquarters (HQUSACE) Program Manager (PgM), Major Subordinate Command (MSC) Program Manager (PgM), District Program Manager (PgM)**

1. Develop and integrate the program and budget guidance per the following general schedule:
  - Initial Activities (Start about 21 months before the beginning of the program year).
    - a. FEBRUARY - Initial OMB ceiling.
    - b. FEBRUARY OR EARLIER – Initiate preparation of Cost Estimates, including schedule and cost change requests . Preparation of draft field program for O&M projects.
    - c. MARCH/APRIL/MAY – Complete Cost Estimates. Preparation of draft field program and budgetary requirements and supporting justification.
    - d. MARCH/APRIL - HQUSACE (CECW-B) issues Program and Budget Engineer Circular (EC 11-2-xxx) guidance for major appropriations.
  - Initial Field Submission and HQUSACE Review.
    - a. MAY/JUNE - Field preparation, review and submission of alternative level programs. MSC ranking of O&M Budget packages.
    - b. JUNE/JULY/AUGUST - HQUSACE/OASA(CW) review and evaluation.
    - c. AUGUST - OMB may adjust ceiling and budget criteria.

Refer to Civil Works Program and Budget Cycle – Capability Budget Development – PROC7010/PROC7010]
  - HQUSACE Budget Allowance and OMB Submission.
    - a. AUGUST - HQUSACE advises Divisions and Districts of allowances to be used for presentation to OMB.
    - b. AUGUST - HQUSACE prepares and presents overall USACE budget summary to OASA(CW).
    - c. AUGUST/SEPTEMBER - Field preparation of supporting data to justify budget.
    - d. SEPTEMBER - Final OASA(CW) review.
    - e. OCTOBER - Transmittal of recommendations to OMB and OMB hearings and review.

Refer to Civil Works Program and Budget Cycle – President’s Budget and OMB Submission – PROC7020[PROC7020]

- OMB Budget Allowance (Passback).
  - a. NOVEMBER - OMB furnishes thru OASA(CW) to HQUSACE overall budget allowance for programs, studies, and projects.
  - b. DECEMBER - Preparation of the final budget submission in support of the OMB allowances.
- Congressional Submission.
  - a. DECEMBER/JANUARY - Final budget justification and other budgetary information are submitted to HQUSACE through the Division.
  - b. JANUARY/FEBRUARY - HQUSACE prepares additional supporting information on the USACE budget.
  - c. FEBRUARY - President submits his budget to Congress no later than the first Monday in February. HQUSACE furnishes detailed justifications and supporting data to the Congressional Committees.
  - d. DECEMBER/JANUARY/FEBRUARY - Districts, Divisions, and HQUSACE prepare additional information needed by the Division Commander, Director of Civil Works, Chief of Engineers, and ASA(CW) to defend the President's Budget request before Congress.

Refer to Civil Works Program and Budget Cycle – Submission of President’s Budget to Congress – PROC7030[PROC7030].

- Defense Before Congress.
  - a. FEBRUARY - Assistant Secretary of the Army (Civil Works) and Chief of Engineers (Policy Statements).
  - b. FEBRUARY - Division Commanders (Status Reports).
  - c. FEBRUARY - Director of Civil Works (Remaining Items).
  - d. MARCH/APRIL - Non-Departmental and Local Interests testimony (support and opposition).
  - e. JUNE - Senate Recall Testimony (Director of Civil Works), when scheduled (last time was in 1980).

Refer to Civil Works Program and Budget Cycle – Defense of President’s Budget – PROC7040[PROC7040].

- Appropriations Bill (Customarily originates in the House).
  - a. MAY - House Subcommittee on Energy and Water Development reports its recommendations to the Appropriations Committee.
  - b. JUNE - Committee makes recommendations to the full House.
  - c. JUNE - House Bill passed, possibly with floor amendments, and sent to the Senate.
  - d. JUNE - Senate Subcommittee on Energy and Water Development reports its recommendations to the Appropriations Committee.
  - e. JUNE/JULY - Committee makes recommendations to the full Senate and Bill is passed, possibly with floor amendments.
  - f. JULY - House and Senate Appropriations Committees meet jointly as the Committee of the Conference to resolve differences in their respective Bills.
  - g. JULY/SEPTEMBER - Conference Committee version of the Bill is presented to the full House and Senate for passage (amendments beyond Conference agreement not permitted).
  - h. JULY/SEPTEMBER - Congress sends Bill to the President for signature (President has ten days, excluding Sundays, to sign or veto... otherwise, Bill automatically becomes law).
- Allotments of Appropriated Funds.
  - a. OMB must apportion funds to HQUSACE 30 days after appropriation or 20 days before 1 October, whichever is later.
  - b. HQUSACE issues initial work allowances and allotments to Districts through the Divisions by 1 October (or later if appropriations and/or apportionments are late, which may constitute a continuing resolution (CRA) for which additional guidance is provided).
  - c. Throughout the fiscal year, program execution schedules and funding requirements are developed, monitored, and adjusted as needed.
  - d. Program execution performance is briefed to the Chief of Engineers at the quarterly Command Management Reviews (CMR), attended by Division commanders.

Refer to Civil Works Program and Budget Cycle - Continuing Resolution Authority and Allotment – PROC7050[PROC7050].

**End of activity.**



## Civil Works Program and Budget Cycle - PROC7000

